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PRICE TWO CENTS.

AMERICAN THREAT TO COMPEL UNION

Bartholdt Makes Remarkable Address Foreseeing New Menace.

PLAN TO DRAW ALL NATIONS TOGETHER

Congressman Tells Europeans That Unless It is Adopted the United States Will Develop Naval Power That Will Unsettle World-President Loudly Cheered.

(By Associated Press.)
BRUSSELS, August 28.—The opening of the Interparliamentary Congress in the National Palace here to-day was the oc-casion for a notable demonstration in be-

of the Interparliamentary Congress in the National Palace here to-day was the ocasion for a notable demonstration in behalf of President Roosevelt and the success of the peace conference at Portamouth. The welcoming address, delivered by Minister of State Beernaert. Incomed a storm of applause when he refored to President Roosevelt's two conspicuous movements in behalf of peace in first calling the meeting of the Hague conference, and secondly in bringing together the plenipotentiaries of Russia and Japan. The congress adopted amid enthusiasm resolutions of thanks to Prezident Roosevelt, and the secretary was instructed to cable a message of appreciatin to the President.

Bartholdt's Report.

The congress afterward discussed the American proposition for a model arbitration treaty. Congressman Richard Bartholdt spoke in favor of it.

Mr. Bartholdt also presented the report in behalf of the United States. The report said in part:

"The status of our common cause in the United States never justified a more favorable report than it does at the present time. Two causes have mainly contributed towards this revival of interest in the peace movement; the meeting of the Interparliamentary Conference on American soil, and the deep-going discust with that barbarous war in the Orient. Over 200 members of the American Congress have now joined the Interparliamentary group. Mass meetings have been held in nearly all large American cities during the year, which declared in favor of the arbitration treaties then pending in the Senate. These treaties failed, it is true, not however, because of any objection to the principle of arbitration, but because of their indefiniteness, which finally compelled the President to abandon the treaties. Under the Hague Convention, he already enjoys a larger measure of discretion than the new treaties, in their amended form, would have conferred upon him. The failure of these ireaties may prove a blessing in disguse. It justifies the hope that the outcome will be the approval, by the Hague Confe

wider in scope and yet more definite in detail.

"It is with pardonable pride we Americans point to the historical fact that it was left to an American President not only to again open the doors of the Hague, but also to stop, in the interests of both of the belligerents and humanity, the war between Russia and Japan."

King Leopold received the delegates to the congress this afternoon. He conversed with each of the American members, expressing his admiration for the United States and saying that he kept President Roosevelt's photograph bearing his sig-

Roosevelt's photograph bearing his sig-nature on his desk in his study.

Sensational Address.

Sensational Address.
At the afternoon session the congress further discussed the American propositions for a model arbitration treaty and a permanent congress of the nations. Speaking in support of the latter proposition. Congressman Bartholdt said:
"If Europe should refuse to adopt whitration, if it should continue the increase of its armaments, might not the United States find it imperative, for the protection of its own trade, to rival with Europe in the matter of military and naval armaments. Imagine a country with \$0 military of pecple, with room for hundreds of millions more, almost limitless in extent and national resources, with its virgin soil and boundless wealth, and with its population a unit of patrictic citizenship; imagine such a naton to be imbued with the ambitlion of becoming a great war power? We shudder at the thought, because such a reversal of America's traditions would be the tombstone of our hopes. And yet, it, the question is; Shall the United States arm fiself in proportion to its wealth and power, and become a menace to mankind and its own people, or shall the other nations enter into a union with it and with each other and thus secure forever the rights they have been in perpetual drend of losing. This is the real political question in the international world to-day.

"American history is apt to shed

rights they have been in perpetual read of losing. This is the real political question in the international world to-day.

"American history is apt to shed light on the task of framing a consitution for an international Congress. When the several States entered the American Union many of them thought they could withdraw at will. It is justly feared that nations cannot be induced to enter a Congress of Nations unless they know they can withdraw at will without causing war. The war in America over the right of secession proves the wisdom of conceding this right. In creating a Congress of Nations, provision for withdrawing on three years notice would seem to be best. With the right of withdrawal conceded, war could not arise over its exercise.

"A further safety valve will be pro-

Safety Valve.

"A further safety valve will be provided by agreeing that the national law-making bodies can veto the acts of the International Congress, and if it is also provided that cach nation represented can make such preparation for war as it considers necessary, in view of possible dissolution, all objection to the early creation of such a Congress will be removed.

"Equal representation in a Senatel where the sovereigns themselves would assemble or be represented by two persons named by them, and representation in the Lower House proportionate to the nation's international commerce, would seem to provide a more equitable basis than population, because the powers of the Congress would be confined, as already stated, to the intercourse between nations, while the cherished rights of man as an individual would be guarded by the State of which he is a citizen, A million people, doing a million dollars worth of international trades have as great an interest in that trade and in the laws governing it as ten million people doing a more international business. Each nation will be guaranteed an equal right to trade throughteed an equal right to trade throughteen an equal right to trade throughteen and the continued on Second Paged

(Continued on Second Page.)

Swanson Has Clear Majority Over Both Opponents of 5,000.

SENATOR CARRIED EVERY DISTRICT

His Majorities in Third, Sixth and First Were Very Slender, However - Seventh, Ninth and Fourth Gave Him Big Majorities-The Vote By Counties.

The vote cast in the Democratic State primary of last Tuesday, August 22d will slightly exceed 89,000. Senator Mar tin's majority over Governor Montague will not exceed, it it equals, 10,000, or the full official count of the vote by the Democratic State Central Committee, Mr Swanson has defeated Colonel Willard his nearest competitor, by more than 20, 000, and Judge Mann, the other candi date, by slightly more than these fig

With fairly complete, though in some cases approximated, returns from every cases approximated, returns the county in the State, save nine and two smail cities, and with the majorities for the senatorial candidates in these, it appears that 72 014 votes were cast. With smail cities, and with the majorities in the senatorial candidates in these, it appears that 78,014 votes were cast. With the counties of Greensville and Mecklenburg in the fourth; Patrick in the fifth; Frederick and the city of Winchester In the seventh; Buchanan and Giles in the Ininh; Amherst, Buckingham and Nelson in the tenth and the city of Williamsburg in the second, not yet fully and officially reported, Senator Martin has a majority of approximately 8,418. This majority will not be materially increased, though the total vote cast will be on receipt of full official returns.

With the incomplete returns stated, Mr. Swanson's total vote is 41,978; Mr. Willard's, 19,172, and Judge William Hodges Mann's total, 18,633. On these figures Mr. Swanson's plurality over Mr. Willard is 22,806; over Judge Mann, 23,395, and his majority over both 4,223. Mr. Willard leads Judge Man on the incomplete returns

Judge Man on the incomplete return

Carried Every District.

Mr. Swanson will get a plurality in Carroll and Patrick, Buchanan and Glies, which will carry his total up probably two thousand or more. Judge Mann will probably make up the difference between his vote and Mr. Willard in Greenesville, Mecklenburg and Amherst, but Mr. Willard's vote probably leads his in Winchester, Frederick, Carroll, Patrick, συchanan and Giles. It is still uncertain, therefore, whether Mr. Willard or Mr. Mann ran second. It is altogether likely that Mr. Swanson's plurality may reach 25,000 and that his majority over both onents will exceed five thousand Here are his majorities by dis-First, 495; second, 293; third, 76; 1,459; fifth, 1,479; sixth, 76; sevfourth, 1,459; fifth, 1,479; sixth, 76; seventh, 2,169; eighth, 881; ninth, 1,946; tenth,

644.

Mr. Swanson carried every district in the State except the eighth Mr. Willard's. The fifth district gave Mr. Swanson a plurality over Mr. Willard of 4,590 in a total of 4,551 votes and a majority over both his competitors of 4,051. The second district also gave him a tremendous vote.

Various Totals.

Here are the totals for the various countles and cities and the district and State totals:

	Martin,	Montagu	Swanson	Willard	Mann.
ccomac	960	637	977	160	464
aroline	361	298	279	176	196
866X	157	247	19	114	102
redericksburg	313	97	166	186	57 149 34
loucester	220	303	223	153	149
ing and Queen	220	207	219	113	34
ancaster	330	207 257	238	43	271
iddlesex	54	375	45	235	140
athews	317	181	233	90	178

(Cotinued on Third .Page.)

(Continued on Tenth Page.)

J. F. WALLACE TO BE HEAD OF SEABOARD

Stated On Good Authority That Defeats Bland Massie By Thirteen Former Canal Engineer Will Succeed Barr.

A gentleman of this city who is in a position to have information on the subposition to have information on the subject, said yesterday there was little or no doubt in his mind that John Findlay Wallace would become the head of the Seaboard Air Line system the first of May, 1996. Mr. Barr, the president of the Seaboard, has a contract with the company, which will expire on that date. Mr. Wallace said when he came to this country, after resigning his position as chief engineer in charge of Panama Canal construction, that he had been offered a \$60,000 place in the United States. He has accepted a position with George Westinghouse Company. It is not thought he receives a salary nearly approaching \$60,000. Mr. Westinghouse represents Thomas F. Ryan as one of the Equitable trustees. Ho is close to Mr. Ryan in soveral ways, it is said. Mr. Ryan own or controls the Seaboard. It is said to be his determination to put Mr. Wallace in control when President Barr's time expires next May, Mr. Wallace resided in Virginia some years ago as superintendent of the Mathleson Alkali Works, at Saltville. Smyth county. ject, said yesterday there was little or

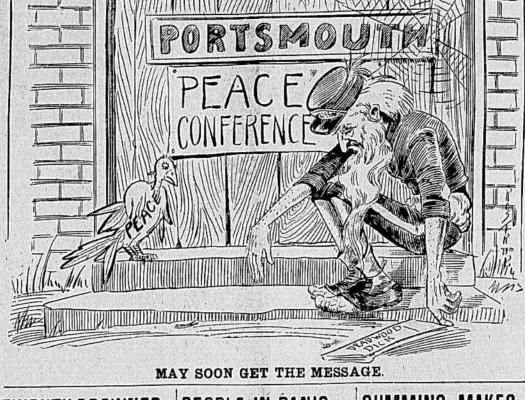
AUBREY E. STRODE IS DECLARED NOMINEE

Votes for the Senate.

(Special to The Times-Dispatch.)

LYNCHBURG, VA., August 28.—The
Democratic Committee of the Nineteanth
Senatorial District, which is composed
of Amherst and Nelson countles, met at
Lovingsion to-day and completed the
canvass of the vote in last Tuesday's
primary. The certificate of nomination
was then issued to Aubrey E. Strode,
who received a majority of thirteen over
Bland Massle, the incumbent, IT is not
known yet whether Senator Massle will
make a contest of the election, though
the right to do so has been reserved.
The official vote was: Amherst county—
Strode 569, Massle 655; Nelson county—
Strode 446, Massle 477.

Mrs. Wilcox Dead. (By Associated Press.)
WASHINGTON, Aug. 28.—Airs. Mary Emily Donelson Wilcox, said to have been the first child born in the White House, the grand-niece of Andrew Jackson and a descendant of John Donelson, the ploneer of Tennessee, died here to-day, aged seventy-five years. Her husband, John A. Wilcox, was at one time a representative from Tennessee, and also represented Tevas in the Confederate Congress.



Leeville.

Situation in New Orleans Now

Declared to Be Thoroughly

Under Control.

New Orleans Record

Total cases......1,788

Total sub-fool....... 420

Total deaths..... 260

Cases under treatment.. 181

NEW ORLEANS, LA., August 28 .- To

day's yellow fever record shows an in-

centers of infection over yesterday, but

indicates a decrease in deaths from 13

to 5. One of the deaths to-day is Siste Mary Engelhesta of the convent of Pe

petual adoration, and her case was not

from that institution, though there have

Reports from the country show 30 new

cases. Natchez makes no report of new

cases, the people deciding to await the arrival of an expert before accepting the

statement that yellow fever is present.

Dr. Devron, in charge of Leeville, in a

"I found things worse than Dr. Stark

could have seen a few days before. The

the population of 500 people is sick, they

are distracted and many are on the verge of lunacy from fright and grief." Confidence has been restored since Dr. Devron's arrival and he has now two assistants and half a dozen nurses.

Mississippi Situation.

So thorough is the control of yellow fever in New Orleans believed to be now

that it is expected that within the next

ten days Dr. White will be able to re-

organize his forces, dividing the city into districts instead of wards and readjust-

ing the forces of workers now employed

districts instead of wards and readjusting the forces of workers now employed. Interest attaches to the development in connection with the discovery of yallow fever at Gulfpert, Miss. Governor Vardament of the connection was a superior of the connection of the connection of the connection of version of yellow fever. Details in the case of Mrs. Collins, the first Gulfpert case reported, indicate that yellow fever was present at Gulfpert several weeks ago, as she had been in Gulfpert for several weeks before being taken sick. Dr. Wasdin found three cases of yellow fever in the neighborhood in which Mrs. Collins lived at Gulfpert, as a result of the discovery of yellow fever and Gulfpert and at Mississippi City, New Orleans, ductors who have patients on the Mississippi coast are now advising their return to New Orleans, whore, in the event of illness, they may be sure of perfect reatment.

Many persons who went North on vacations on the appearance of yellow fever are now beginning to return To New Orleans, belleving that the worst is over.

WANT HELP . TO-DAY.

The 19 advertisements for help published in to-day's Times-Dispatch on page 8 are as follows:

report on the situation there, says:

people were in a panic.

been several cases.

Deaths yesterday

New cases...

Steamer Peconic Struck By Enormous Wave and Wecked Off Florida Coast

ONLY TWO OF CREW ESCAPE NO MEDICINE; NO DOCTORS

The Harrowing Experiences of Spaniard and Italian Who Reached Beach in Safety.

(By Associated Press.)
FERNANDINA, FLA., August 28.—
Twenty men, constituting all but two of the officers and crew of the American Steamship Peconic, bound from Philadelphia to New Orleans with coal, wer

drowned by the sinking of that vessel

off the coast of Florida to-day. The disaster was the result of a flerco gale which raged along the coast during the night and early morning. Lashed by the storm, an immense wave struck the vessel with terrific force about 12:30 o'clock. The impact coming just as the vessel was making a turn caused a shift of the cargo and the vessel careened and sank immediately. The accident oc-curred so quickly that only two of those aboard her, an Italian and a Spaniard, were able to save themselves. They suc-ceeded in getting into a life boat, reached Amelia Beach about noon and on landing

were able to save themselves. The seceed in getting into a life boat, reached Amelia Beach about noon and on landing told the story of the disaster.

These men could speak no word of English. They said they were the only survivors of the crow of the Peconic, commanded by Captain Jones.

About midnight of Sunday, during the heavlest part of the storm, which had raged all day, the officer of the deck gave the order to put further out to sea, fearing they were approaching the coast too nearly. In the endeavor to turn the ship was struck with a heavy sea, the cargo shifted, giving a broadside, and she began sinking rapidly. In less than ten minutes after the alarm was sounded she had gone to the bottom, and no trace of her was left upon the waters.

Miraculous Escape.

Miraculous Escape.

The account of their own miraculous escape, out of all the ship's crew who went down, was something approaching

went down, was something approaching the marvelous.

One of these men was at the wheel at the time the order was given; the other was upon watch. As soon as the ship began to careen these two men rushed for one of the small beats, which they jumped into as the vessel began to go down. With their knives they severed the ropes as the water's level was reached, and the small bott was thrown far out on the They furthermore say that they

On Verge of Lunacy From Fright and Grief Over Fever in tary of Treasury.

QUOTES LAFAYETTE YOUNG

taken Trend of Speech at Convention.

'Un his own original way he drove home certain facts that will be remembered. He exposed the proposed French treaty in all its deformity, demonstrating that we were offering France a tremendous bargain and get-ting practically nothing in return." Commenting on this, Governor Cum mins says:

from too much experimenting with differ-ent remedies. I find that more than half DISCUSSING FUTURE OF HANKOW RAILWAY

Iowa Governor Gives Authority for Statement About Secre-

Says Latter Could Not Have Mis-

(By Associated Press.)
DES MOINES, IA., August 28.—Gover-

nor A. B. Cummins to-day indited a reply to the letter written to him by Secretary of the Treasury Leslie M. Shaw, who criticised Governor Cummins for misquoting the Secretary in a speech before the Chicago Reciprocity Convention The Governor's letter says that his authority for quoting the Secretary was an editorial in the Des Moines Capital of May 27, 1905, dealing with Secretary Shaw's speech of the day before. Governo Cummins quotes part of the editorial,

"If this be not a sufficient basis for the statement that I made in Chicage, I have yet to learn the meaning of the commonest words of my mother tongue. Lafayette Young, the editor of the Des Moines Capital, was present at the luncheon and heard your speech. He is your political friend and ally. He is in sympathy with your views. He is himself a speaker of wonderful power, and knows what words mean. He writes constantly concerning the tariff and reciprocity, and could not have been mistaken with respect to the trend and coclusion of your meet to the trend and coclusion of you

(By Associated Pross.)

OYSTER BAY, L. I. August 28.—J
Pierpont Morgan had an extended conference to-day with President Roosevelt.
The conference related to mitters pertaining to the Canton-Hankow Railway,
in China, and its probable disposition by
the present owner, the American-China
Povelopment Company, The firm of J. P.
Morgan and Coupany practically controis the road and its connections. Mr.
Morgan visited the President several
wocks ago on a mission similar to that
of to-day.

VIRGINIANS TO ROW

gle with Peterhof, but if Japan to-mor-row agrees to formally renounce all claims for direct or indirect compensa-

with other proposition that Russia could claim it was still only a disguised demand for tribute, the guif might only be narrowed, not bridged. All the private advices that reach the Russian mission from St. Petersburg indicate that the from St. Petersburg indicate that the military party is believed, insistent that

THE FIRST SHOT IN REPUBLICAN CAMPAIGN

Crew, With Enthusiastic Boat Robert W. Blair is Stumping the Club Members, Leave Friday for New Fields.

AT PHILADELPHIA

The Virginia Boat Club has decided to send its eight-oared shell to take part in the Philadelpha regatta on Labor Day,

September 4th,

The crew is full of enthusiasm and has great hopes of bringing back the trophy to Richmond, especially since the defeat of the strong Arundel cight at west Point September 4th.

of the strong Arundel eight at west Point on lists Saturday,
Dr. Reilly, the excellent coach of the club, is confident that his men will do fliemselves proud. The crew, the coach and a number of enthusiassic Virginia Boat Club embers will leave for Philadelphia on Friday night. The make-up of the "eight" will e as follows: Bow, R. E. Michaels; 2, R. H. Esprest; S. J. H. Crenshaw; 4, E. M. Thomas, 5, M. F. Berkeley; 6, W. F. Gordon; 7, Thomas D. Nelligströke, II, W. Shelton; cox, Penick Shelton.

Embezzlement Cases.

4 Trades, 2 Domestic, 1 Agent, 11 Miscellaneous (Special to The Times-Dispatch.)
FAYETTEVILLE, N. C., Aug. 28.—This afternoon in Superior Court Judge Moore made as order continuing till next term of court the cases of J. C. Haigh, cashuer, and G. G. Myrover, teller, alleged embezglement of the Bank of Payetteville. 1 Salesman, This not only interests those out of work, but those desiring to improve their positions as well.

Northern Neck (Special to The Times-Dispatch.)

(Special to The Times-Dispatch.)

WARSAW. VA., August 28.—Mr. Robert W. Biair, of Wytheville, Republican member of the late constitutional convention and nominee of his purty four years ago for attorney-general, spoke at Montross to-day, in the interest of the Republican nominees, makins an asgressive specel which was enthusiastically received by the Republicans present. A large number of the old-time Republican leaders were present and lent their aid in siving the speaker a most flattering roception. Whila the Republicans are making a vigorous fight in this section, Mr. Biair being advertised to speak at Warsaw on Monday next. The Democratic party.

Dividend Declared.

CHICAGO, August 28.—Directors of tre Republic iron and Steel Company at the meeting to-day decided to resume the payment of the regular quarterly divi-dends on the preferred stock. A dividend of 13-4 per cent, was declared.

YIELDING INDEMNITY, JAPANESE WILL OFFER NEW COMPROMISE PLAN

Proposed Cession of Sakhalin, Selling Back Northern Half of Island at Price to Be Fixed by Arbitration.

PEACE NOW SEEMS ASSURED.

Announcement Caused Great Sensation --- All Depends on Form Proposal Takes .-- St. Petersburg Thinks Outlook Very Hopeful.

(By Associated Press.)
PORTSMOUTH, N. H., Aug. 28.—The Associated Press has definite knowledge that several days ago President Roosevelt was authorized on behalf of Japan to waive all claim for indemnity or reimbursement for the cost of the war, and to cede back to Russia the north half of Sakhalin island,, leaving the "redemption" price of the same to the arbitration of a mixed commission. This statement was transmitted to the Russian Emperor through the American ambassador at St. Petersburg.

An Associated Press telegram announced that the Czar's reply was "partially responsive." There is reason to believe that this proposition on behalf of Japan was not clearly understood at Peterhof, but was supposed to be a revival of the effort of Japan to secure an indemnity under the guise of purchase money for the fraction of Sakhalin.

BARON KOMURA WILL OFFER NEW COMPROMISE PLAN TO-DAY Linevitch be given a chance, and is active in its insistence that negotiation

Pressure On Witte.

Discussed Loan.

Another indication of the sudden turn in the events was the arrival here to-

in the events was the arrival here tonight of Frank A. Vandorlip, vice-president of the City National Bank, of New
York. He registered at the hotel as
"John Howard," and after dinner went
to M. Witte's room and remained there
one hour. When asked his mission, Mr.
Vanderlip said he was only "interested"
in the situation. He had met M. Witte
several years ago, when he was at the

several years ago, when he was at the nead of the Russian finance ministry

and had also seen him in New York

He had talked with him about the situa-tion and outlook in Russia, the state of the negotiations, etc. He evaded inquiries as to whether the subject of a loan had been discussed, but considering the im-portance of the "dinancial group" of which the City National Bank is a member and

the City National Bank is a momber and the fact that the bunk took a portion of one of the Russian loans, it is fair to assume that the question of finance was entirely ignored. Some of the Japanese correspondents

were greatly excited to-night over the reports that the Tokio government had surrendered on the subject of indemnity. They refused to believe it, declaring that if true, it would cause a tremendous outburst of popular feeling in Japan.

STUMBLING BLOCK

PORTSMOUTH, N. H., Aug. 28.—Acting upon instructions received from Tobe broken off. Pressure On Witte.

M. Witte feels the pressure of this sentiment, and as a man of position he may not feel that he can afford to lay himself open to the charge that he is temporizing with the situation. He has power under his instructions to reject out of hand any proposition involving the payment of a kopeck of tribute. He need not consult his imperial master. He is a min of inspiration, and he is quite capable, if the Japanese proposition savors still of "blood money," to refuse even to accept for transmission to St. Petersburg.

But such a stroke is not expected. M. Witte knows that public opinion, both in America and in Europe, as well as in Russia, would condemn him if he broke off the negotiations just as the way was opened for a possible accord.

While apparently the read negotiations leading up to to-day's denouement were conducted by the President at Oyster Bay, acting through Baron Kaneko, on the one hand, and Ambassador Meyer, on the other, it is now believed that much has been going beneath the surface here. as a result of to-day's session of cabinet and "elder statesmen," under the direct presidency of the Empo-

der the direct presidency of the Emporor of Japan, Baron Komura, will submit to M. Witte to-morrow morning
a new basis of compromise, that, it is
firmly believed to-night, will insure
pence.

The revelation contained in the Associated Press' exclusive announcement
to-day that President Rossovolt had already informed Emperor Nicholas
through Ambassador Meyor, that Japan
was ready to waive the question of indemnity and submit the price to be paid
for the northern half of Sakhalin to the
judgment of a mixed commission, but deminy and submit the state of the northern half of Sakhalin to the judgment of a mixed commission, but prepared the way for Japan's backdown upon the main issue. The announcement had been the sensation of the day. It had met with denials high and low. It was declared to be impossible, incredible. The Japanese declined to admit it and the Russlans said they had no confirmation. M. Witte intimated strongly that St. Petersburg, had not apprised him of any such action by the President. There was even a disposition to ridicule the idea of arbitrating the price of the island of Sakhalin. Nevertheless on all hands, it was admitted that if Japan took this position, the ground was cut out from under Emperor Nicholas.

Japs Striking Back.

Japs Striking Back.

M. Witte, by consummate skill in conceding all the demands of Japan involving the real issues of the war, had manosuvred his adversaries into a position. where, unless they abandoned the claim for indemnity, they could be held respon-sible for continuing the war for money. The Japanese by now foregoing the do-mand for indemnity practically turn the tables upon Russia and shift the burden unless they abandoned the claim back to her shoulders if she does not con tion for the expenses of the war the big stumbling block to peace is out of the

Everything will depend upon the form in which the proposal is submitted. Should the renunciation be so coupled

HAS BEEN REMOVED St. Petersburg Now Sees Hope

mon his arrival.

for Peace in Far East.

The Associated Press dispatches from Portsmouth declaring that President Portsmouth declaring that President Roooseveit was authorized several days ago on behalf of Japan to walve all claim for indemnity or reimbursement for the cost of the war and to cede back to Russia the northern half of the island of Sakhalin, leaving the "redemtion" price of it to the arbitration of a mixed commission, was received too late here last night to reach the general public, but its significance was instantly recognized in the quarters where it became known.

There is every reason to believe, judg-

signification was instantly recognised, in the quarters where it became known. There is every reason to believe, judging from the official expressions persistently given out by the foreign office since the beginning of the negotiations at Fortsmouth, that this proposal by Japan to walve the question of indemnity goes far toward removing the last, and, according to official explanations, the only stumbling block in the way of peace. The foreign office has said that every disputed point between Russia and Japan, with the exception of the payment of indemnity, had been practically arranged on a basis satisfactory to both sides, but that Russia would never pay an indemnity. If the latest proposals of Japan mean that she walves all claims to indemnity of any kind or description, giv-

(By Associated Press.) ST. PETERSBURG, Aug. 29, 3:15 A. M.--